OPENING STATEMENT BY HON’BLE LYONPO KHANDU WANGCHUK, MINISTER IN CHARGE OF FOREIGN AFFAIRS, AND MINISTER FOR ECONOMIC AFFAIRS

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Your Excellency Mr. Gyan Acharya, Under Secretary General OHRLLS,
Ms. Claire Van der Vaeren, UN Resident Coordinator,
Senior Government Officials,
Participants in the Workshop,

1. It gives me great pleasure to welcome the USG to Bhutan. Mr. Acharya is well known in Bhutan, having served as Foreign Secretary of Nepal, and Permanent Representative to the United Nations both in NY and Geneva. So, more accurately, allow me to welcome you back to Thimphu. We take much pride in seeing a son of South Asia in the important position of Under Secretary General and High Representative of the SG for Least Developed Countries, Land Locked Developing Countries, and Small Island Developing States. Mr. Under Secretary General, please rest assured of the Royal Government’s unwavering support and continued cooperation to you and your Office as you carry out your important mandate.

2. Since assuming the post of USG OHRLLS in September 2012, Ambassador Acharya has given strategic direction to the implementation of the IPOA as mandated by the GA, as well as in the context of the ongoing global developments. The OHRLLS has tirelessly promoted the need for stronger follow up for holistic implementation of IPOA, a proactive approach to ensure wider support to LDCs, better coordination within the UN System and outside, more mainstreaming of LDC issues into the global development processes. Bhutan commends the efforts of the USG and his dedicated team at OHRLLS. We thank the OHRLLS for its strategic guidance and proactive approach in the implementation of IPOA, coordination within the UN System and mainstreaming of LDC issues into the global development processes.

3. All participants in this room, as senior officials of the RGOb across all sectors, partners agencies, and civil society stakeholders, are constantly mindful of the fact that the realities of being both least developed and landlocked, shape the contours of our government policies, our external engagements, and affect as well, the daily lives of our people.

4. As we face these double challenges, Bhutan has been encouraged by the visits of three consecutive USGs of OHRLLS. We consider it as recognition of Bhutan’s success
story as an LDC, and a reflection of the importance that the UN System and OHRLLS accords to Bhutan. It is also acknowledgement of the fact that Bhutan’s development model can be emulated by other LDCs.

5. The Istanbul Programme of Action (IPoA) reflects a global partnership with deliverables and commitments based on our unified resolve to address long-standing and emerging development challenges of LDCs for the next decade. The IPoA confirms and strengthens the commitments of the international community to the LDCs. Bhutan remains fully committed to implement the IPoA. The 10th FYP goals and the 11th FYP’s strategic framework’s overall goal of self-reliance and inclusive green socio-economic development are consistent with the priorities of the IPOA.

6. We take great pride in the manner in which GNH has guided our country’s socio-economic development progress. Over the years, Bhutan has enjoyed sustained economic growth at a time when other economies continue to perform dismally and even contract. In the last five years, Bhutan’s economy has grown by 70%. The International Monetary Fund (IMF) declared Bhutan the 4th fastest growing economy in the world in its October 2012 World Economic Outlook Publication. In the 10th five year plan, Bhutan saw an average growth of 8.8%. Per capita income has reached $2,986.4, second highest in South Asia. Incidence of poverty has been reduced to 12% and the unemployment rate is 2.1%. All these economic achievements were managed simultaneously with increase in forest cover to 81%. Despite these significant achievements, as we look forward to achieving our cherished goal of national self-reliance by 2020, and towards eventual graduation from the LDC category and transition to Middle Income status, we remain mindful of our vulnerabilities and realize that many challenges persist.

7. Bhutan’s growth and development is still dependent on limited hard currency earning from tourism, export earning from a single natural resource, hydro power, and ODA. In 2010, Bhutan’s real GDP growth rate was 11.8%; in 2011 the economy shrunk by 8.5%. If ODA and investments continue to decline, Bhutan will not be able to sustain the progress it has made so far in human and social development, let alone, meet the target of 7% set out in IPoA. We request the USG to convey to development partners the importance of fulfilling their ODA commitments to LDCs and to align their support with national priorities as reflected in the IPoA.

8. At the same time, we recognize that implementation on the ground must be nationally driven, and in this respect, effective coordination across all relevant national agencies and stakeholders is of paramount importance. Given the institutional and capacity constraints faced by LDCs, this challenge should not be overlooked.
9. Despite the global economic slowdown and overall patterns in the direction and flow of development cooperation, RGOB attaches importance to the balanced and equitable focus on all LDCs. Even among LDCs performing relatively well, like Bhutan, the reality is that traditional indicators and criteria can be misleading. Understanding and recognition must therefore continue to be promoted for national specificities and particularities.

10. Support measures for graduating LDCs also remain critical to ensure that hard-earned development gains are sustained. Smooth transition of graduating LDCs is vital to ensure that graduating countries are able to sustain their economic growth without any disruption to their development plans, programmes and projects. Bhutan considers it crucial for development and trading partners to continue to support the implementation of the transition strategy and avoid any abrupt reductions in financial and technical assistance.

11. As we face new and additional challenges in a decade of new commitments and hope within the framework of the IPOA, we recognize that the responsibilities of OHRLLS have also increased considerably in scope and complexity. The requirement to provide substantive and technical support to LDCs has increased substantially. For smaller nations like Bhutan with limited financial resources and manpower, the support we receive from OHRLLS is crucial for our graduation and for our effective participation at the UN. In our enlightened self interest, please be assured of Bhutan’s support in ensuring that the UN allocates appropriate resources to OHRLLS, enabling the realization of its mandate for effective follow up, monitoring and timely implementation of IPOA, in accordance with GA resolution 67/220 on the Follow up to UN Conference on LDCs.

12. I wish to express here, RGOB’s full satisfaction with the excellent cooperation and partnership we enjoy with the UNCT in Bhutan. As representatives of the UN System on the ground, they have proven to be amongst our most important and reliable partners, collaborating closely across all sectors to support and facilitate the implementation of the IPoA.

Mr. Under Secretary General,

13. The international community stands at a very important crossroad. As we approach the 2015 target date for the MDGs, the global conversation on the Post 2015 development agenda has begun in earnest. There exist multiple parallel fora and mechanisms. LDCs must not be left out of this conversation. Our priorities, as reflected in the MDGs, the IPoA and the Rio Outcome Document, as well as the results from regional, national and thematic consultations must also be mainstreamed and adequately reflected in post 2015 Development agenda. As a member of the UN Task Team, the OHRLLS’s support to LDC delegations in
navigating through these mechanisms, encouraging the space for the effective articulation of our priorities and views, will be of paramount importance.

Mr. Under Secretary General,

14. The MFA is most pleased to collaborate with the OHRLLS to convene this Workshop on Fostering the Implementation of the Istanbul Programme of Action for the LDCs. We thank you for this timely and important initiative. We are confident that with your visit and personal participation in today’s workshop, all relevant sectors of the RGOB and partner agencies will continue to make progress in the implementation of the IPOA, with even greater conviction.

Tashi Delek.

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